

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

**PRE-DISMISSAL FINAL FEE APPLICATION COVER SHEET FOR THE PERIOD
FROM APRIL 4, 2023 THROUGH AND INCLUDING AUGUST 11, 2023¹**

Debtor: LTL Management LLC	Applicant: FTI Consulting, Inc. ("FTI")
Case No: Case No. 23-12825 (MBK)	Client: The Official Committee of Talc Claimants
Chapter: 11	Case Filed: April 4, 2023

**SECTION I
FEE SUMMARY**

☐ Monthly Application No. ☐ Interim Application No. ☒ Pre-Dismissal Final Fee Application

Summary of the Amounts Requested for the Period from
April 4, 2023 through August 11, 2023 (the "Application Period")

Prior Applications	Date	Fees	Expense Reimbursement	Total Fees and Expenses Requested	Total Amount Paid To Date	Total Amount Outstanding
Substantial Contribution	April 4, 2023 - April 14, 2023 (Docket No. 1241)	\$ 106,920.50	\$ 746.66	\$ 107,667.16	\$ -	\$ 107,667.16
First Monthly	April 15, 2023 - April 30, 2023 (Docket No. 837)	271,674.75	-	271,674.75	217,339.80	54,334.95
Second Monthly	May 1, 2023 - May 31, 2023 (Docket No. 1107)	1,060,395.00	593.21	1,060,988.21	848,909.21	212,079.00
Third Monthly	June 1, 2023 - June 30, 2023 (Docket No. 1224)	1,420,198.50	2,257.16	1,422,455.66	-	1,422,455.66
Fourth Monthly	July 1, 2023 - August 11, 2023 (Docket No. 1285)	1,727,712.50	48,228.05	1,775,940.55	-	1,775,940.55
N/A ²	Various	19,065.00	5,947.88	25,012.88	-	25,012.88
	Total	\$ 4,605,966.25	\$ 57,772.96	\$ 4,663,739.21	\$ 1,066,249.01	\$ 3,597,490.20

¹ Pursuant to the Order Dismissing the Debtor's Chapter 11 Petition (Docket No. 1211) entered on August 11, 2023, FTI will be seeking post-dismissal fees for continuing work related to appeals, as well as in connection with preparation of its Fourth Monthly Fee Statement and this Pre-Dismissal Final Fee Application.

² This line reflects fees and expenses that were not included on prior monthly fee statements. Supplemental exhibits, including time and expense detail, are annexed hereto as **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F**, and **Exhibit G**.

Professional	Position	Billing Rate	Total Hours	Total Fees
<u>Restructuring</u>				
Diaz, Matthew	Senior Managing Director	\$1,325	197.8	\$262,085.00
Tully, Conor	Senior Managing Director	1,325	248.0	328,600.00
Berkin, Michael	Managing Director	1,055	273.5	288,542.50
O'Brien, Daniel	Managing Director	1,055	38.8	40,934.00
Khan, Baber	Senior Director	925	87.0	80,475.00
Eisenberg, Jacob	Senior Consultant	695	550.3	382,458.50
Hansen, Sean	Senior Consultant	695	11.2	7,784.00
Kim, Andrew	Consultant	475	56.4	26,790.00
Scheff, William	Consultant	475	602.0	285,950.00
Hellmund-Mora, Marili	Manager	325	8.7	2,827.50
Hawkins, Bryson	Summer Associate	215	2.7	580.50
RESTRUCTURING SUBTOTAL			2,076.4	\$1,707,027.00
<u>Economics</u>				
Heeb, Randal	Senior Managing Director	\$1,450	79.6	\$115,420.00
Roussikh, Valeri	Managing Director	1,300	77.4	100,620.00
Kubali, Volkan	Managing Director	1,210	161.8	195,778.00
Watson, Ching	Managing Director	1,210	296.0	358,160.00
Majkowski, Stephanie	Managing Director	1,100	2.2	2,420.00
Maki, Jennifer	Managing Director	1,045	23.5	24,557.50
Guo, Sherry	Director	975	268.7	261,982.50
ECONOMICS SUBTOTAL			909.2	\$1,058,938.00
<u>Strategic Communications</u>				
Mehan, Zachary	Managing Director	\$875	29.8	\$26,075.00
Staples Miller, Citseko	Managing Director	875	84.9	74,287.50
Izen, Alex	Senior Director	650	9.7	6,345.00
Labkoff, Nicole	Director	650	181.9	118,235.00
Negron, Sabrina	Director	650	76.8	49,432.50
Rivera, Jacqueline	Director	650	27.9	18,135.00
Brauer, Meagan	Director	600	35.0	21,965.00
Ash, Alexa	Senior Consultant	525	44.3	23,257.50

Weltman, Allison	Senior Consultant	525	65.8	34,200.00
Gregoire, Merzule	Consultant	400	97.1	38,840.00
Hardey, Samantha	Consultant	400	73.6	29,385.00
Hawk, James	Consultant	400	1.0	400.00
Boublik, Sofia	Consultant	375	4.4	1,650.00
STRATEGIC COMMUNICATIONS SUBTOTAL		732.2		\$442,207.50

Compass Lexecon

Austin Smith, Yvette	Senior Managing Director	\$1,250	81.8	\$102,250.00
Polonsky, Jonathan	Senior Vice President	965	1.5	1,447.50
Rinaudo, Alexander	Senior Vice President	965	584.6	564,139.00
Liang, Vera	Senior Vice President	905	159.5	144,347.50
Affelt, Amy	Director	685	3.5	2,397.50
Pauwels, David	Senior Analyst	685	8.8	6,028.00
Waye Azuero, Brandon	Senior Analyst	585	535.6	313,326.00
Orozco, Erin	Analyst	610	18.5	11,285.00
Tai, Nikki	Analyst	510	402.2	205,122.00
Zhao, Yijing	Analyst	475	132.0	62,700.00

COMPASS LEXECON SUBTOTAL		1,928.0		\$1,413,042.50
Less: 50% discount for non-working travel time		(8.9)		(5,896.25)
Less: Voluntary Reduction		(16.1)		(9,352.50)
GRAND TOTAL		5,620.8		\$4,605,966.25

**SECTION II
SUMMARY OF SERVICES**

Task Code	Task Description	Total Hours	Total Fees
1	Current Operating Results & Events During the Application Period, FTI reviewed and analyzed the Debtor's Monthly Operating Reports, recent docket filings and news updates. This work was necessary to better understand the Debtor's current financial situation.	91.1	\$64,745.50
3	Financing Matters (DIP, Exit, Other) Time in this Task Code includes analysis and review of the Debtor's 2023 Funding Agreement with Johnson & Johnson.	11.1	10,640.50
11	Prepare for and Attendance at Court Hearings During the Application Period, FTI and Compass Lexecon attended the Motion to Dismiss trial, two hearings on the preliminary injunction, one hearing on the Debtor's Motion for an Order Appointing Randi S. Ellis as Legal Representative for Future Talc Claimants and the Motion of Relief from Stay of Anthony Valadez, one hearing on the Disclosure Statement scheduling, and a hearing on dismissal.	66.9	70,145.00
12	Analysis of SOFAs & SOALs FTI conducted a detailed review of the Debtor's filed statements of financial affairs ("SOFAs") and schedules of assets and liabilities ("SOALs"). Time in this Task Code includes preparing materials for the Committee to report on the above analyses.	90.0	63,409.00
13	Analysis of Other Miscellaneous Motions Time in this Task Code captures time spent reviewing and analyzing draft pleadings prepared by Committee Counsel, including but not limited to, the bar date motion, estimation motion, and writ of mandamus. FTI also reviewed various motions, including but not limited to, the Debtor's motion for appointment of the Future Claimants Representative, and objections to the same.	78.3	59,808.50
14	Analysis of Claims/Liabilities Subject to Compromise FTI and Compass Lexecon reviewed and evaluated claims data provided by the Debtor and the Ad Hoc Committee of Supporting Counsel to assess the magnitude of the claims pool. FTI and Compass Lexecon evaluated various key assumptions and analyzed historical claims data to gain an understanding of the creditor pool, and the impact that different plan constructs would have on claimants, including development of a claims calculator at the request of the Committee.	275.2	218,092.00
16	POR & DS - Analysis, Negotiation and Formulation During the Application Period, FTI and Compass Lexecon reviewed and analyzed multiple documents related to the Debtor's Chapter 11 Plan and Disclosure Statement, including but not limited to, various versions of the Disclosure Statement, the proposed Plan, the Trust Distribution Procedures, and other supplements to the proposed Plan. Additionally, FTI and Compass Lexecon prepared several detailed analyses, which were presented to Committee Counsel to help the Committee understand the proposed Plan and its impact on talc claimants.	206.1	188,249.00
18	Potential Avoidance Actions & Litigation Matters During the Application Period, FTI and Compass Lexecon reviewed and analyzed numerous pleadings in connection with the motions to dismiss the bankruptcy case. FTI and Compass Lexecon also reviewed the Debtor's expert reports and document production supplied in connection with the same. Additionally, time in this task code included attendance at depositions taken for both the preliminary injunction and the motions to dismiss.	430.6	410,128.50
19	Case Management Work in this Task Code included review and development of case strategy, overall work plan development, and management of critical tasks and key case issues in connection with FTI's role as financial advisor and talc estimator to the Committee.	28.9	25,427.50
21	General Meetings with Committee & Committee Counsel Work in this Task Code included participation in periodic calls with Committee Members and Committee Professionals regarding case strategy and status, the Motions to Dismiss the case and other pending motions, understanding of claims, and various other case issues. Additionally, preparation and review of correspondence with the Committee and Committee Counsel is captured in this Task Code.	97.8	117,186.50

22	Meetings with Other Parties Work in this category includes telephonic participation in the 341 Creditors Meeting.	4.2	3,471.00
23	Firm Retention Time in this category includes preparation of FTI's retention application, corresponding declarations, and correspondence with Committee counsel regarding the same.	58.8	41,338.00
24	Preparation of Fee Application During the Application Period, FTI prepared the schedules for its First Monthly Fee Statement, Second Monthly Fee Statement, and Third Monthly Fee Statement.	125.7	71,580.50
25	Travel Time Time in this category reflects time spent by FTI traveling in connection with the Motion to Dismiss trial, one of the hearings on the preliminary injunction, and the hearing on dismissal.	8.9	11,792.50
26	Communications In accordance with Section 1102(b)(3) of the Bankruptcy Code, FTI provided services to facilitate communications between the Committee and the creditor constituency. During the Application Period, FTI was engaged in numerous workstreams to execute the Committee's communications strategy, including but not limited to, managing the Committee's website, hosting Town Hall Meetings, responding to inquiries from claimants, and preparing weekly media monitoring updates to be shared with the Committee.	742.4	474,163.50
27	Mesothelioma Claims Estimation Time in this category relates to the estimation of mesothelioma cancer claims. FTI prepared numerous analyses to form an understanding of the potential range and magnitude of current and future mesothelioma claims against the Debtor. Many of these analyses were performed in connection with drafting an expert report to be filed in rebuttal to the Debtor's Disclosure Statement.	1,592.3	1,558,461.50
29	Ovarian Claims Estimation Time in this category relates to the estimation of ovarian cancer claims. Compass Lexecon prepared numerous analyses to form an understanding of the potential range and magnitude of current and future ovarian claims against the Debtor. Many of these analyses were performed in connection with drafting an expert report to be filed in rebuttal to the Debtor's Disclosure Statement.	1,599.5	1,116,303.00
30	AHC Litigation Support (4/4/23 - 4/14/23) Time in this Task Code relates to work performed for the Ad Hoc Committee of Mesothelioma Claimants during the period from April 4, 2023 through April 14, 2023, prior to the formation of the Official Committee of Talc Claimants. A motion is pending before the Court to make the effective date of retention of all TCC Professionals April 4, 2023, or to allow the fees and expenses for such period as a substantial contribution to this bankruptcy case.	101.9	94,742.00
31	Communications (4/4/23 - 4/14/23) Time in this Task Code relates to communications services provided to the Ad Hoc Committee of Mesothelioma Claimants during the period from April 4, 2023 through April 14, 2023, prior to the formation of the Official Committee of Talc Claimants. A motion is pending before the Court to make the effective date of retention of all TCC Professionals April 4, 2023, or to allow the fees and expenses for such period as a substantial contribution to this bankruptcy case.	20.0	12,178.50
32	Other Tasks - Substantial Contribution Not Sought (4/4/23 - 4/14/23) Work in this Task Code comprises the voluntary reduction taken by FTI for services provided to the Ad Hoc Committee of Mesothelioma Claimants during the period from April 4, 2023 through April 14, 2023, prior to the formation of the Official Committee of Talc Claimants. Time in this category represents work that FTI believes may be construed as tangential to substantial contribution.	16.1	9,352.50
SUBTOTAL		5,645.8	\$4,621,215.00
Less: 50% discount for non-working travel time		(8.9)	(5,896.25)
Less: Voluntary Reduction		(16.1)	(9,352.50)
GRAND TOTAL		5,620.8	\$4,605,966.25

<p style="text-align: center;">SECTION III SUMMARY OF DISBURSEMENTS</p>

Expense Type	Amount
Purchased Services	\$33,975.10
Research Access	23,053.44
Transportation	702.06
Working Meals	42.36
Total	\$57,772.96

**SECTION IV
CASE HISTORY**

- (1) Date case filed: April 4, 2023
- (2) Chapter under which case commenced: Chapter 11
- (3) Date of Retention: April 15, 2023³
- (4) Summarize in brief the benefits to the estate and attach supplements as needed:
 - (a) FTI assisted Counsel with financial review and analyses, attending court hearings, monitoring and analyzing strategic considerations in relation to the preliminary injunction motion, estimation process, motion to dismiss, and reviewed the Debtor's restructuring transaction.
 - (b) FTI assisted the Committee in understanding and estimating the Debtor's talc liability in connection to the case.
 - (c) FTI evaluated the Debtor's current operating results to assist the Committee in understanding the financial position of the Debtor.
 - (d) FTI participated in regular calls with Counsel and Committee member representatives to discuss status of the case and other topics.
 - (e) FTI provided communications updates to the Committee consisting of media monitoring, a communications website, coordinating the production of Town Hall meetings designed to comply with the Committee's duties to communicate with its constituency pursuant to section 1103 of the Bankruptcy Code, and constituent inquiry management.
 - (f) To the extent not addressed by the foregoing descriptions, FTI performed other services on behalf of the Committee that were necessary and appropriate in this chapter 11 case.

I certify under penalty of perjury that the foregoing is true and correct.

Dated: September 8, 2023

/s/ Matthew Diaz
Matthew Diaz

³ See the Order Authorizing Final Retention of FTI Consulting, Inc. as Financial Advisor to the Official Committee of Talc Claimants Effective April 15, 2023 (Dkt. No. 774) entered on June 14, 2023.